Concordia University

Board of Governors

Concordia Employee Benefits Committee

Meeting of November 28th 1977

Attendance: Mr. H. Hemens, Chairman, Mr. A. Duff, Prof. C. Goldman, Mr. W. M. Reay, Mr. P. Gore, Prof. A. Dickie, Prof. G. Martin, Mr. C. Waters, Messrs. R. Brochu and B. Morency of William M. Mercer Ltd.

1 Fund Custodians

Mr. Waters informed the Committee that his research indicated that the approximate charges made by National for administering third party mortgages would amount to some $10,000 yearly based on a 3,000,000 mortgage content. He advised the Committee that Montreal Trust did not charge for this and that Royal Trust charged a nominal 1/15% or $2,000 on $3,000,000. Further negotiation by Mr. Waters had resulted in National Trust waiving this fee. This fact brought National Trust's overall charges below those of Montreal Trust and made them competitive with those of Royal Trust.

Prof. Martin proposed that National Trust be appointed fund custodian; the proposal was seconded by Professor Dickie and unanimously carried by all Committee members with the exception of Mr. Duff who was absent when the vote was taken.

2 Investment Management

Prof. Martin commented that, as part of Manulife's presentation would obviously be to make recommendations for investment of the total fund; he felt that any decision should therefore be deferred until after the presentation.

Mr. Waters advised the Committee that Manulife was prepared to meet with the Committee on December 14th, the date agreed upon for the next meeting.

Mr. Duff asked that all members make every effort to attend the meeting in view of the importance of full participation in any investment decision. He further commented that if a decision were not taken on December 14th, that it would be well into the new year before the Committee would meet again.

Investments in Quebec

Mr. Gore referred to the point raised at the last meeting regarding investments in the Province of Quebec; McLean Budden had stated that the Sir George Williams Contributory Pension Plan Committee had advised them against investments in Quebec issues. Mr. Gore expressed his opin-

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ion that this was not a sound investment policy for a Quebec based University to adhere to. Mr. Waters, Prof. Martin and Prof. Dickie who had been present at the Sir George Committee meetings could not recall any such directive being given and concluded that there must have been a misunderstanding.

The Committee unanimously agreed that investment decisions on Quebec securities be treated in the same way as all other investment decisions i.e. upon yield and security of capital.

Review of Pension Plan Document

Mr. Brochu ran through the October 19th 1977 draft of the Pension Document. Several modifications and amendments were suggested, the principal ones being.

Section 1.5	use of a more appropriate term for the grandfather clause.
Section 2.8	that overtime should be specifically excluded as pensionable earnings.
Section 2.9	Clearer definition of permanent is required.
Section 3.4	Care to design wording to exclude people who have changed status from full time to part-time from the plan.
Section 3.7	A fourth phrase to be added to the effect " any other information as determined by the Committee."

Section IV

Mr. Reay had prepared a working document on the leave provisions (appendix " A ") and this was circulated.

There was some discussion on the inequity between half salary leaves and those receiving full salary. It was suggested that Mercers prepare some wording basing service proportionately on the partial salary.

Section IX

Mr. Reay's worksheet made reference to the fact that a Contributory member was entitled to a deferred pension upon termination whereas the non contributory member was not so entitled unless he had 10 years or more of service.

Mr. Waters commented that the Committee charged with developing the program had justified this approach because the non contributory

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member terminating after 10 years would be eligible for a deferred annuity. The contributory member would, however, forfeit his right to any deferred annuity if he withdrew his own contributions upon termination.

Section 9.2

Interest should be allowed to date of payment or to three months following date of termination whichever occurrs first.

It was agreed that the wording be revised and submitted to the Committee members before the next meeting.

In view of time constraints discussion of Reciprocal Transfer Agreements was postponed. Documentation on the subject was circulated to Committee members.

The meeting terminated at 2.15 p.m.